RVICE CONTRACT
No. 7401-37-93



This Subcontract is entered into this <u>lst</u> day of <u>February</u>, 1944, by and between The University of Chicago, a corporation not for pecuniary profit organized under the laws of the State of Illinois, located in Chicago, Illinois, (hereinafter called the "Contractor"), and <u>Quality Hardware & Machine Corporation</u>, a corporation organized under the laws of the State of <u>Illinois</u>, located in Chicago, Illinois, (hereinafter called the "Subcontractor.")

WHEREAS, the Contractor has heretofore entered into a contract with the United States of America (represented by its duly authorized Contracting Officer) under contract designated as No. W 7401-eng.37, supplements thereto and extensions thereof, (hereafter sometimes referred to as the "prime contract") to perform certain work as therein specified, and

WHEREAS, the Contractor desires the Subcontractor to perform certain work and supply certain materials as hereinafter specified, said work and supply of materials being within the scope of the aforesaid prime contract:

NOW, THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

ARTICLE I - SUBJECT WORK

The Subcontractor shall with the utmost dispatch and in accordance with the instructions of the Contractor, which instructions shall be in the form of work orders issued by the Contractor to the Subcontractor, produce the work therein specified and at the rates contained in the price list dated March 25, 1942, copy of which is hereto attached as Schedule A and made a part hereof, which rates were approved by the Office of Price Administration in its letter to the Subcontractor dated January 17, 1944.

- 1. The Subcontractor shall furnish the necessary personnel, facilities and equipment required to produce special tools, dies, fixtures, etc., from materials furnished by the Contractor to the Subcontractor; the Subcontractor to furnish such additional material as may be required.
- 2. In consideration of the Subcontractor's undertaking this work, the Subcontractor shall be paid by the Contractor for the work performed hereunder on the following basis:
 - a. The hourly rates shall be those listed in Schedule A hereto attached; it being understood and agreed that these rates include all direct and indirect labor costs, cost of operation and maintenance of said equipment and all insurance and overhead except as herinafter specified. Any work herein provided for which may be required to be performed on Sunday shall be authorized in writing by the Contractor. In the event such Sunday work requires the services of a foreman (whenever less than 25 men are working in the shop) it is understood and agreed that the Subcontractor may charge for and will be paid for the proportionate share of the cost of the foreman's time in accordance with the appropriate rates therefor.

It is also understood and agreed that the Subcontractor may charge for and will be paid for any special deliveries made on Sunday at the Contractor's request at the same rates charged others for

CRET

Classification Cancelled
On Changed To

By Authority Of

Cancelled

Cancelled

Cancelled

This document company information affecting the National Mosense of the United States within the meaning of the Rapionage Act, U. S. G. 50; 31 and 32. Its transmission of the contents in any manner to an

for similar services under similar conditions. These rates will be variable depending on the type of employees available as drivers or helpers.

- b. Any material purchased from outside vendors by the Subcontractor, for exclusive use in the performance of the work hereunder, shall be billed by the Subcontractor to the Contractor at actual cost.
- c. Any material drawn from stock will be billed by the Subcontractor to the Contractor at the prices listed in Schedule B which is attached hereto, and made a part hereof.
- d. Reimbursement of actual cost of all necessary travel expenses authorized by the Contractor.
- e. Reimbursement for the cost of all telegraph and long distance telephone expenses incident to and required by the work herein.

The rates and terms specified above will constitute full compensation to the Subcontractor for all work and services to be performed hereunder.

3. The Subcontractor herewith provides the Contractor with the following blanket certification with respect to the authenticity of the Subcontractor's accounts and records and to invoices rendered in connection with its performance of the subject work hereunder, which certification shall be regarded as accompanying each invoice the same as if recited thereon:

"We hereby certify that the charges made to the Contractor by the Subcontractor for the materials and tool, die, jig, and fixture labor listed on invoices in connection with the performance of the Subcontractor, hereunder were required by, and were incurred in the performance of the work under this Subcontract, under Contract #W 7401-eng.37; that payments have been made of all amounts for which reimbursement is claimed; that reimbursement had not been received at the date claimed; that all Federal and State legal and statutory requirements pertaining to purchase, labor, production, and wage and salary orders and regulations have not been knowingly or willfully violated; that the charges representing issues from stock or other service department costs are those normally made for such issues or services; and that all original supporting records including payrolls, invoices, receiving reports, check registers, stock requisitions etc. pertaining to the authenticity of the reimbursement thereby claimed and not attached to the invoices when rendered, will be kept available for inspection upon request by authorized representatives of the Contractor and/or of the United States Government, subject to the applicable statutes of limitation."

ARTICLE II -TERM

The Subcontractor shall proceed with the subject work until June 30, 1944, or until such later date as may be authorized in writing by the Contractor and agreed to by the Subcontractor; such completion date in no event, however, to extend beyond the date of termination of Prime Contract No.W-7401-Eng. 37.

ARTICLE III - PAYMENTS

The Subcontractor shall be paid currently as invoices are submitted for completed jobs, or as soon thereafter as practicable, at the rates

stipulated herein for services rendered, less deductions, if any, as herein provided, upon the submission of true and correct invoices or vouchers prepared in quintuplicate, and bearing code description number of this Subcontract (7401-37-93).

The total estimated cost of this Subcontract to the Contractor for the period from February 1 to June 30, 1944, is Fifty Thousand and No/100 (\$50,000.00) Dollars, and when that amount of cost is incurred, the Subcontractor shall not proceed with its work hereunder until so authorized in writing by the Contractor.

ARTICLE IV - PATENTS

It is understood and agreed that whenever any discovery or invention believed to be new is made by the Subcontractor or its employees in the course of the services called for in this Subcontract, the Subcontractor agrees to keep witnessed and dated written records of all such discoveries and inven tions and shall promptly furnish the Contractor with complete information thereon and the Contractor shall have the sole power to determine whether or not a patent application shall be filed and to determine the disposition of the title to and the assignments of rights under any application or patent that may result. It is further understood and agreed that the judgment of the Contractor in such matters shall be accepted as final, and the Subcontractor for itself and for its employees agrees that the inventor or inventors will execute all documents and do all things necessary or proper to carry out the judgment of the Contractor. The Subcontractor agrees it will include the provisions of this paragraph in all contracts of employment with persons who do any part of the services called for in this Subcontract. Any patent applications filed on such discoveries or inventions shall be prepared and prosecuted without expense to the Subcontractor.

'ARTICLE V - ASSIGNMENT OF RIGHTS HEREUNDER

Neither this Subcontract nor any interest therein or claim thereunder shall be assigned or transferred by the Subcontractor to any other party or parties, except that the whole or any part thereof is assignable by the United States Government by the Contractor.

ARTICLE VI - SAFEGUARD OF INFORMATION

It is understood that disclosure by the Subcontractor or its employees of information relating to the services contracted for hereunder to any person not entitled to receive it, or failure to safeguard all secret, confidential and restricted matter that may come to the Subcontractor or any person under its control in connection with the subject services under this Subcontract, may subject the Subcontractor, its agents, employees and subcontractors to criminal liability under the laws of the United States. (See Title I of an Act approved June 15, 1917, 4D Stat.217; 50 U.S.C. 30-42), as amended by an Act approved March 23, 1940 (54 Stat. Chap. 72); and the provisions of an Act approved January 12, 1938 (52 Stat. 3; 50 U.S.C., Supp. V 45-45d) as supplemented by Executive Order No E381, dated March 22, 1940, 5 F.R. 1147 D.I.

ARTICLE VII - ESPIONAGE OR SABOTAGE.

The Subcontractor shall immediately submit a confidential report to the Contractor whenver for any cause it has reason to believe that there is an active danger of espionage or sabotage affecting any of the work hereunder.

ARRICLE VIII - EMPLOYMENT OF ALIENS

The Subcontractor shall not employ any alien on or parmit any alien to have access to the plans, specifications, or services hereunder without the written consent of the Contractor as to each such alien.

ARTICLE IX - EMPLOYEE ORIGIN AND EXCLUSION OF UNDESTRABLES

The Subcontractor, whenever requested by the Contractor, shall report to the Contractor the citizenship, country of birth, or alien status of any or all of its employees at the site of, or having access to, any of the services hereunder. The Subcontractor shall not employ, or continue the employment of, any person or persons designated by the Contractor as undesire able to have access to the premises where the services of the Subcontractor are being performed hereunder, and the Subcontractor shall exclude any person or persons so designated by the Contractor from such premises.

ARTICLE X - PROPERTY ACQUIRED AND USED

In the event the rate or charges specified herein to be paid to the Subcontractor include an allowance for property to be especially acquired for the carrying out of the services herein provided for, title to all such property shall vest in the Contractor. Also, title to all materials, supplies, apparatus, equipment, or other property which may be furnished by the Contractor to the Subcontractor hereunder to facilitate the carrying out of the services herein provided for shall remain in the Contractor and all such property, etc., shall be used by the Subcontractor only for the purposes approved by the Contractor.

ARTICLE XI - VISIT, INSPECTION, AND REPORT OF PROGRESS

- a. The Subcontractor whenever requested shall permit an authorized representative of the Contractor to visit the site of the work at all reasonable hours and inspect the Subcontractor's performance hereunder.
- b. In the event the services being performed by the Subcontractor hereunder are found to be deficient, or otherwise not in conformity with specifications, requirements, and/or instructions as negotiated hereunder, the Contractor shall have the right to reject such services or required their correction without additional cost to it.
- c. The Subcontractor shall report the progress of performance here-under from time to time as requested by the Contractor; and shall furnish a complete report of its findings and conclusions upon completion of its undertakings herein. Such report shall be furnished in such quantities and form as may be required by the Contractor.

ARTICLE XII - DATA REGARDING PERFORMANCE

a. All drawings, designs, specifications, data and memoranda of every

description relating to the services or any part thereof are to become the property of the Contractor upon completion thereof, resubject to the right of the Subcontractor to retain duplicates thereof for use as records only, and the Contractor shall have full right to use said drawings, designs, specifications, data and memoranda in any manner when and where the Contractor may designate without any claim on the part of the Subcontractor for additional compensation. A complete list of the duplicates of classified records retained by the Subcontractor shall be furnished to the Contractor.

b. All drawings, designs, specifications, data and memoranda of every description concerning the subject services shall be delivered to the Contractor when requested by the Contractor; and, furthermore, access to such drawings, designs, specifications, data and memoranda as may contain classified information shall be restricted to trusted and duly authorized representatives of the Contractor and the Subcontractor, except as otherwise specifically authorized in writing by the Contractor.

ARTICLE XIII - INSURANCE

The Subcontractor shall take out and maintain the following insurance during the period of this contract, at this own cost and expense:

- a. Public Liability Insurance insuring the Contractor and the Subcontractor, and the Board of Trustees of the Contractor, individually and collectively, written by a company approved by the Contractor in amounts of \$ 100,000.00 to \$ 250,000.00
- b. Workmen's Compensation Insurance, with Occupational Diseases endorsement, written by a company approved by the Contractor in unlimited amount for the protection of the Subcontractor against claims under the Workmen's Compensation and Occupational Diseases Acts of the Stateoof Illinois

Before undertaking any work hereunder the Subcontractor will cause to be delivered to the Contractor certificates of the insurance companies as to the particulars of the insurance hereinabove referred to, which certificates shall contain a provision that such insurance will not be canceled by lapse or time or otherwise except upon five (5) days prior written notice to the Contractor, sent by United States Registered Mail, postage prepaid, addressed to the Contractor, attention of W. B. Harrell, Business Manager, 956 E. 58th Street, Chicago, Illinois.

ARTICLE XIV. - EIGHT HOUR LAW

The Subcontract shall compensate laborers and mechanics for all hours worked by them hereunder in excess of eight (8) hours in any one calendar day at a rate not less than one and one-half times the basic rate of pay of such laborers and mechanics.

ARTICLE XV - ANTI DISCRIMINATION

The Subcontractor shall not discriminate in any act performed hereunder against any citizen on the ground of race, creed, color or national origin.

ARTICLE XVI - CONVICT LAPOR

The Subcontractor shall not employ any person undergoing sentence or imprisonment at hard labor.

ARTICLE XVII - OFFICIALS NOT TO BENEFIT

No member of or delegate to Congress, or resident commissioner shall be admitted to any share or part of this Subcontract or any benefit that may arise therefoom, but this provisions shall not be construed to extend to this subcontract if made with a corporation for its general benefit.

ARTICLE XVIII - COVERING AGAINST CONTINGENT FEES

The Subcontractor warrants that it has not employed any person to solicit or secure this Subcontract upon any agreement for a commission, percentage, brokerage or contingent fee. Breach of this warranty shall give the Contractor the right to annul the subcontract, or, in its discretion, to deduct from the contract price or consideration the amount of such commission, percentage, brokerage or contingent fee. This warranty shall not apply to commissions payable by the Subcontractor upon contracts of sale secured or made through bona fide established commercial or selling agencies maintained by the Subcontractor for the purpose of securing business.

ARTICLE XIX - CHANGES

The Contractor may from time to time by written orders transmitted to the Subcontractor change the extent or amount of the services covered by this 'agreement. If any such changes cause material increases or decreases in the amount or character of the services to be rendered by the Subcontractor hereunder, the contract price herein provided for shall be increased or decreased accordingly and amendment to this agreement executed covering same.

ARTICLE XX - DISPUTES

All disputes concerning questions of fact arising under this Subcontract which are not disposed of by mutual agreement shall be decided by the Contracting Officer under the prime contract, whose decision in writing shall be final and conclusive.

ARTICLE XXI - CANCELLATYON OF WORK IN PROCESS

In the event the Contractor cancels a work order issued hereunder to the Subcontractor before the completion of the work covered thereby by the Subcontractor, the Subcontractor will be reimbursed by the Contractor for the time and materials expended on the uncompleted work order at the rates and on the basis provided for herein, up to the time of cancellation.

ARTICLE XXII - RELATION TO PRIME CONTRACT

It is understood that this is a subcontract under the prime contract hereinabove referred to, and by reason thereof subject to all the terms, conditions and limitations imposed by such prime contract, including the condition that the effectiveness of this Subcontract is subject to the prior written approval of the Contracting Officer in said prime contract or his duly authorized representative. Inasmuch as the prime contract is

a secret contract and the terms thereof have not been revealed to the Subcontractor, it is expressly understood and agreed by the parties hereto that this Article does not obligate the Subcontractor financially or in accountability for property, materials, supplies, or services to an extent beyond what is specifically made the obligation of the Subcontractor in this Subcontract.

ARTICLE XXIII - ALTERATIONS

The following changes were made in this Subcontract before it was signed by the parties hereto:

Article IV deleted in its entirety

Article VIII deleted in its entirety

In WITNESS WHEREOF, the Contractor and the Subcontractor have caused this Subcontract to be signed and sealed, intending to be legally bound thereby.

THE UNIVERSITY OF CHICAGO

Witnessed

ee By

Beverly Wallace - Chicago, Ili. Business Manager

Witnessed

MACHINE CORPORATION

Title

Approved:

Contracting Officer

C. U. Karl, Captain, C. E.

And the Children Children or the Contracting Officer

Schedule A Attached to and a part of
Subcontract #7401-37-93 between The University
of Chicago and Quality Hardware and Machine
Corporation
(Labor Rate Schedule)

(Labor Rate Schedule)				
TOOL AND DIE OR MACHINE WORK				
Straight time	5.25 hr. 5.25 hr.			
ENGINEERING				
Straight time For time in excess of 8 hours a day. For time worked on Holidays For time on the 6th day in a work week For time on the 7th day in a work week	4.50 hr.			
PRODUCTION				
Punch Press work - Small Presses, Drill Press Work & Spotweldir	ng Work:			
Straight time	2.25 hr. 2.25 hr.			
Punch Press Work - 5 and 6 Presses, and Brake Work:				
Straight time For time in excess of 8 hours a day For time worked on Holidays For time on the 6th day in a work week For time on the 7th day in a work week	3.00 hr. 3.00 hr.			
For time on the 7th day in a work week	2.50 hr. 3.75 hr. 3.75 hr. 3.75 hr. 5.00 hr.			
Assembly Work:				
For time in excess of 8 hours a day For time worked on Holidays For time on the 6th day in a work week	1.35 hr. 2.025 hr. 2.025 hr. 2.025 hr. 2.70 hr.			

Schedule B
Attached to and a part of Subcontract #7401-37-93
between The University of Chicago and Quality Hardware and Machine Corporation

(Stock Material Price List)

STANDARD CHARGES FOR MATERIAL USED FROM OUR STOCK

Hy-Speed & High Carbon High Chrome Steel Oil Harden Steel Water Harden Steel Hy-Ten Steel Silmo Steel Cold Rolled Steel B & S Steel Drill Rod	\$1.50 lb Heat Treat \$.50 lb75 lb Heat Treat .25 lb50 lb Heat Treat .25 lb50 lb Heat Treat .25 lb50 lb Heat Treat .25 lb15 lb Heat Treat .25 lb. 1.00 lb Heat Treat .25 lb. 1.00 lb Heat Treat .25 lb.
Mechanite Cast Iron Bronze Copper Brass Bars Brass Strip Angle Iron Dowel Pins Screws Small Springs Large Springs Krasberg Primary Stops Finger Stops Panda Stops Siewak Knobs	.30 lb20 lb50 lb. 1.00 lb35 lb50 lb20 per foot .25 each .20 each .25 each .100 each 1.00 each 1.00 each 2.00 each

Strip Stock: Cold Rolled - - - Terneplate - - - Hot Rolled below .025 market price

.025 - .093 2nds. up to 250 lbs. - - \$.065 lb. - - 250 lbs and over \$.06 lb. .025 - .093 Primes up to 250 lbs. - - market price - - 250 lbs. and over - market price.

over .093 - market price.

Jessops Compound Steel - - - - - \$.50 lb.

1	MUC-50-558	SEC
1	This document consists of	
I	No of	Series dC
	ETALLURGICAL PROJECT FORM MP=29 HE UNIVERSITY OF CHICAGO	
	HICAGO, ILLINOIS	June 12, 1944
1	AGREEMENT NO. 1 FOR TH	DATE
	XTENSION OF Service & Supply SUBCONTRACT # 7401-3	
	BY AND BETWEEN	
	THE UNIVERSITY OF CHICAGO, OF CHICAGO, ILLINOI	S AS "THE CONTRACTOR"
N	NO Quality Hardware and Machine Corporation	O NO THE CONTRACTOR
F	Chicago, Illinois	AS "THE SUBCONTRACTOR."
	O 714- Wandawan and Machine Court	AS THE SUBCONTRACTOR,"
P:	b: Quality Hardware and Machine Corporation	Classification Cancelled
_	5823-51 Ravenswood Avenue	O-Changed To
Ĺ	Chicago, Illinois	By Authority Of Col
EΑ	EAR SIRS:	Date Date Date Date Date Date Date Date
	. UNDER AND BY VIRTUE OF ARTICLE II OF THE ABOVE-DESCR	IRED CURCONTONOT # 7401 37 07
ľ	I UPON THE CONSIDERATIONS THEREIN EXPRESSED THE UNIVERSITY	OF CHICAGO AS CONTRACTOR WESTERN
	AUTHORIZES AND REQUESTS Quality Hardware and Machin TO EXTEND CERTAIN PROVISIONS OF SAID SUBCONTRACT AS FOLLO	e corporation . As subcontractor.
		0995:
	A. WORK (Article I) no change	
	B. CONTRACT PERIOD (Article II) to continue with by the Contractor until October 31, 1944 PROVIDED, HOWEVER, THAT IN NO EVENT SHALL THIS AFORE DATE EXTEND BEYOND THE DATE OF TERMINATION OF THE CONO. W-7401-ENG. 37, AND SUPPLEMENTS THERETO.	SAID EXTENDED TERMINATION
	c. LIMITATION UPON COSTS (Article III) the Subcont costs incurred in the performance of its work not to exceed seventy-five thousand dollars (D. OTHER: None	hereunder in a total amount
2.	2. OTHERWISE, ALL OTHER TERMS, PROVISIONS, AND/OR CONDITION CONTINUE IN FULL FORCE AND EFFECT. Witnessed:	S OF SAID SUBCONTRACT ARE TO
	1 . 1 . 0 . 8 . —	VERSITY OF CHICAGO
	Thursday out	1116 da 000
	militared outster - Unicago, Illigy,	BUSINESS MANAGER W. B. Harrell
	Bayer & Wallace - Chicago III	
3.		BCONTRACT # 7401-37-93
	as described in paragraphs #1 and #2 hereinabove. Witnessed:	
	Qualit	y Hardware and Machine Corporation
	Witnessed: Marie Darienzo 84:	eff (
	Q. On. Or	S. Lagetrom
(Corraine Clought TITLE:	VKG Fresedent
	DATED AT Chicago, Illinois THIS 30th	DAY OF Jame 1944.
4.	4. APPROVED: C. L. Karl, Captain, C. E.	
	A A the head Democratic II	his document contains information effecting the National
1	of the Contracting Officer Es	pionage Act, U. S. C. and J. and 22
L	Of .	the revelarion

MUC- SC 991 his document consists of					
Metallurgical Project Form MP-29 The University of Chicago Chicago, Illinois Agreement No. 2 for the	October 19, 1944 Date				
Extension of Service & Supply Subcontract #7401-37-93	dated February 1, 1944				
By and between					
The University of Chicago, of Chicago, Illinois as	"The Contractor"				
and Quality Hardware & Machine Corporation					
of Chicago, Illinois a	s the "Subcontractor."				
Quality Hardware & Machine Corporation					
5823-51 Ravenswood Avenue Attention: Chicago 26, Illinois	Mr. L. S. Laystrom Vice President				
· Dear Sirs:					
 Under and by virtue of mutual agreement and of Articl Subcontract #7401-37-93 and upon the considerations to versity of Chicago, as Contractor, hereby authorizes Hardware & Machine Corporation, as Subcontractor, to provisions of said subcontract as follows: Work (Article 1 is hereby amended to include the 	therein expressed The Uni- and requests <u>Quality</u> alter and to extend certain				
Paragraph 2 (a) and Paragraph 2 (c) thereof, effe	ective as of 1 February 1944:				
Paragraph 2 (a) The following provision shall be thereof:	added and made a part				

"It is further understood and agreed that Special Deliveries made on week days (Monday to Saturday inclusive) shall be authorized by the Contractor and the Subcontractor shall be reimbursed by the Contractor for such deliveries at the rate of five cents (9.05) per mile."

Paragraph 2 (c) The following provision shall be added and made a part thereof:

"Any material drawn from stock, which is not included in Schedule B shall be billed by the Subcontractor to the Contractor at standard prices charged to others for similar materials."

B. Contract Period (Article II) the termination date of October 31, 1964, shall be extended to December 31, 1944.

Provided, however, that in no event shall this aforesaid extended termination date extend beyond the date of termination of the Contractor's prime contract No. W-7401-Eng. 37, and supplements thereto.

C. Limitation upon costs (Article III) No change Classification Cancelled

Land 32. Its transmission sorters in any manner to an son is prohibited by law.

D.	Other:	None
<i>u</i> .	Oction .	MOTTE

2. Otherwise, all other terms, provisions, and/or conditions of said Subcontract are to continue in full force and effect.

THE

Title

Witnessed: 3. We (I) hereby agree to the extension of the aforesaid Subcontract # 7401-37-93 as described in paragraphs #1 and #2 hereinabove. Witnessed: Dated at Chicago, Illinois this 11th day of November 1944 4. Approved: Contracting Officer

> C. L. Karl, Captain, C. E. Authorized Representative

of the Contracting Officer

10-26-44

UNIVERSITY OF CHICAGO